

MARGARET DONNELLAN TODD COUNTY LIBRARIAN

June 5, 2007

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

# REQUEST FOR APPROVAL OF TWO CUSTODIAL SERVICES AGREEMENTS FOR CUSTODIAL AREAS 1 AND 4 (ALL DISTRICTS) (3 VOTES)

#### IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that custodial services can be more economically performed by independent contractors than by County employees.
- 2. Approve and instruct the Chairman to sign the attached Agreements with Grace Building Maintenance Co., Inc. to provide custodial services in the Public Library's Custodial Area 1, and with Diamond Contract Services, Inc. to provide custodial services in the Public Library's Custodial Area 4, each for a period of 42 months, with two 12-month renewal options and month-to-month extensions, not to exceed a total of six months. The annual cost for Custodial Area 1 is \$218,652, and for Custodial Area 4 is \$231,742. These Agreements shall each become effective upon your Board's approval or on June 21, 2007 for Area 1, and on August 1, 2007 for Area 4, whichever is later.
- 3. Authorize the contractors to proceed with the work in accordance with the specifications, terms, conditions, and requirements of the Agreements.
- Delegate authority to the County Librarian or her designee to approve and execute all modifications created by increases or decreases in the number of facilities or days of service at any of the County libraries over the terms of the Agreements.
- 5. Delegate authority to the County Librarian or her designee to approve and execute all renewal options, and month-to-month extensions not to exceed a total of six months pursuant to the terms of the Agreements.

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## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

This is to recommend that the Board approve the award of two separate Agreements for custodial services to Grace Building Maintenance Co., Inc. (Grace), and Diamond Contract Services, Inc. (Diamond) as part of a continuing effort by the Department to provide the best possible service to the public at the lowest responsible cost. This recommendation is submitted based upon a finding that the provision of custodial services for the affected County facilities can be performed more economically by an independent contractor.

The recommended contract awards are needed to continue the provision of custodial services at 9 libraries located in the Public Library's Custodial Area 1, and 16 libraries located in the Public Library's Custodial Area 4 as detailed in Attachments A-1 and A-2 respectively. The current Agreement with Matrix Building Maintenance, Inc., dba MBM Professional Janitorial Services for Area 1 expires on June 20, 2007. The current Agreement with Pacific Sun Maintenance Co., Inc. for Area 4 expires on July 31, 2007.

## Implementation of Strategic Plan Goals

Approval of the recommended awards is consistent with the County's Strategic Plan in the areas of service excellence, fiscal responsibility, and organizational effectiveness.

## FISCAL IMPACT/FINANCING

Grace's estimated annual cost for Custodial Area 1 is \$218,652, and Diamond's estimated annual cost for Custodial Area 4 is \$231,742. These represent a cost savings of \$100,635 (32%) for Area 1, and \$75,593 (25%) for Area 4 over the estimated County cost (including start-up costs) to perform similar services for the first year. The attached cost savings (Attachments B-1 and B-2 respectively) were calculated based on the Revised Proposition A Contract Cost Format developed by the County Auditor-Controller's guidelines. The proposed Agreements do not include any cost-of-living increases.

The cost for these Agreements will be paid from existing funds included in the Department's operating budget.

# FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Under the provisions of Section 2.121.250 through Section 2.121.420 of the Los Angeles County Code as amended, proposals were solicited for the provision of custodial services. All requirements of County Code Section 2.121.380 have been met

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and there is no conflict of interest. On final analysis and consideration of an award, the recommended contractors were selected without regard to gender, race, color, creed, or national origin.

These Agreements are in compliance with the mandatory living wage requirements as set forth in Los Angeles County Code Chapter 2.201 (Living Wage Program). The recommended contractors have certified that they will comply with all terms, conditions, and requirements of the County's Living Wage Program. Grace will pay its full-time employees providing County services a living wage of \$11.84 per hour without health benefits. Diamond will pay its full-time employees \$9.64 per hour with qualifying health benefits of \$2.20. In addition, the recommended contractors agree to consider qualified GAIN/GROW participants for employment openings; and agree to comply with the Jury Service Program and the Safely Surrendered Baby Law.

County Counsel has reviewed and approved the proposed Agreements as to form.

## **CONTRACTING PROCESS**

On December 11, 2006, proposals were solicited from the Public Library's proposers list (Attachments C-1 and C-2 respectively), which includes contractors listed on the County's Office of Affirmative Action Compliance Community Business Enterprise (CBE) Database. Advertisements were placed in the Los Angeles Times, The Sentinel, and a number of bilingual community newspapers published by The Eastern Group. The solicitation information was also made available to prospective contractors on the Internet through the Office of Small Business website. The CBE information is summarized in Attachments D-1 and D-2 respectively.

The mandatory proposers conference was held on December 26, 2006 with 46 potential proposers in attendance. Contractors were informed of the County's Living Wage Program and Contractor Responsibility and Debarment provisions. The Public Library received a total of 19 proposals for Custodial Areas 1 and 4. Six proposals were evaluated for Custodial Area 1, one withdrew and two were deemed non-responsive. Seven proposals were evaluated for Custodial Area 4, one withdrew and two were deemed non-responsive. Each proposal was rated on the following criteria: proposer's qualifications; proposer's approach to providing required services; proposer's quality control plan; Living Wage compliance; and cost. The Public Library also reviewed available resources to assess each of the recommended contractor's past performance, history of labor law violations, and prior experience with County contracts.

The Department determined, through the Request for Proposals process, that these services can be performed more economically by independent contractors and

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recommends awarding Agreements to Grace Building Maintenance Co., Inc. for Custodial Area 1 and to Diamond Contract Services, Inc. for Custodial Area 4. Each of the recommended contractors was ranked the highest overall, and was determined to have the most responsive and responsible proposal.

Grace will pay its employees a living wage of not less than \$11.84 per hour without health benefits. Diamond will pay its employees a living wage of not less than \$9.64 per hour and \$2.20 for health benefits. The recommended contractors will also provide employees with paid holidays. The Proposition A Contracting -- Employee Wages & Benefits forms summarizing and comparing each contractor's wages and benefits to those of the County are attached (Attachments E-1 and E-2 respectively).

## IMPACT ON CURRENT SERVICES

Approval of the Agreements will assure the continuation of custodial services for County Public Library facilities.

## CONCLUSION

Please return a conformed copy of the adopted Board Letter and each Agreement to the Public Library and Office of the County Counsel. In addition, please return to the Public Library two fully conformed copies of each agreement with original signatures.

Respectfully submitted,

Margaret(Donnellan Todd

County Librarian

MDT:DF:RMG:TVF:cs

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#### Attachments

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller